

REMARKS

Applicant respectfully requests reconsideration of the present application in view of the reasons which follow.

Claims 1-52 stand rejected. On entry of this Reply and Amendment, claims 3, 27, 30, and 42-52 will be cancelled without prejudice to further prosecution on the merits. Accordingly, claims 1, 2, 4-26, 28, 29 and 31-41 will be pending in this Application.

Objections

In Section 3 of the Office Action, the Examiner objected to the abstract as exceeding 150 words in length. The objection to the Abstract have been noted, and appropriate correction has been made accordingly. Support for the Abstract may be found in at least claim 1 as originally filed. No new matter has been added.

Restriction Requirement

In Section 4 of the Office Action, the Examiner required Applicant to make an election to either claims 1, 2, 4-26, 28, 29 and 31-41 or claims 3, 27, 30, and 42-52. Applicant elects to prosecute claims 1, 2, 4-26, 28, 29 and 31-41. Claims 3, 27, 30, and 42-52 have been cancelled without prejudice accordingly.

Claim Rejections

In Section 6 of the Office Action, the Examiner rejected claims 1, 4-18, 21-26, 28, and 31-41 under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent Application No. 2002/0023051 (Kunzle et al.). On page 7 of the Office Action, the Examiner rejected claims 2 and 29 under 35 U.S.C. § 103(a) as being unpatentable over Kunzle et al.

Applicant has submitted herewith a declaration under 37 C.F.R. 1.131 to remove U.S. Patent Application No. 2002/0023051 (Kunzle et al.) as prior art. The United States filing date of Kunzle et al. is March 31, 2000. The declaration and accompanying documents demonstrate that the subject matter of claims 1, 2, 4-18, 21-26, 28, 29 and

31-41 was in the possession of the inventors before March 31, 2000. More specifically, the declaration and accompanying documents show that the subject matter of claims 1, 2, 4-18, 21-26, 28, 29 and 31-41 was fully conceived and actually reduced to practice prior to March 31, 2000.

1. The subject matter of Independent Claim 1 is disclosed in Exhibits A and B

Independent Claim 1 recites "obtaining financial information concerning a potential borrower."

Exhibit A, page 3 titled "Perform Gatekeeping Function" shows the following steps: step 2.1 "inquire for what kind of loan consumer is looking for: purchase; refi; cash-out refi; pre-approval with property; pre-approval w/o property;" step 2.3 "get borrower name and register to site;" and step 2.6 "collect minimum data set for gatekeeping function."

Independent Claim 1 recites "determining the likelihood that said potential borrower will be approved for a loan."

Exhibit A, page 4 titled "Pull and Reconcile Credit Report" shows step 3.2 "Do Probable Qual."

Exhibit B shows and describes various processes and steps associated with a "Probable Qualification Web Tool."

Independent Claim 1 recites "evaluating a loan application for said loan, said loan application including said financial information and specifying a loan principal."

Exhibit A, page 3 titled "Perform Gatekeeping Function" shows step 2.8 "Perform gatekeeping function: identify out of scope products; "out of the ballpark" exceptions; Fast Refi eligibility rules.

Independent Claim 1 recites "underwriting said loan to determine an approval status of said borrower for said loan and for other loans based on preselected underwriting guidelines."

Exhibit A, page 5 titled "Underwrite and Match Consumer to Product/Price" shows step 4.2 "Run Underwriting Engine: Credit Assessment; Collateral Assessment (determine appraisal needs)."

Independent Claim 1 recites "calculating a customized interest rate based on said financial information for presentation to said borrower for said loan and for each of said other loans for which said borrower is approved."

Exhibit A, page 5 titled "Underwrite and Match Consumer to Product/Price" shows step 4.4 "Run Bundled Risk Based Pricing Engine/Closing Cost Engine."

2. The subject matter of Independent Claim 11 is disclosed in Exhibit B

Independent Claim 11 recites "obtaining financial information concerning a potential borrower and a loan."

Exhibit B, pages 7-10 shows and describes various "Data Inputs" relating to the potential borrower and the loan associated with a "Probable Qualification Web Tool" such as Loan Purpose, Property Value, Loan Amount, Number of Borrowers, Annual Income of all Borrowers, etc.

Independent Claim 11 recites "determining if said potential borrower and said loan meet preselected underwriting guidelines of a secondary mortgage market purchaser based on said financial information."

Exhibit B, pages 13-14 shows and describes "Stage 1-Eligibility Screen." "The eligibility screen allows the "Probable Qual" user to receive feedback regarding the eligibility of the loan they are examining prior to the completion of the data input." Exhibit B, page 14.

Independent Claim 11 recites "if it is determined that at least one of said borrower and said loan does not meet said preselected guidelines, revising said financial information

concerning said potential borrower and said loan and determining if said guidelines are met based on said revised financial information”

Exhibit B, pages 13-14 show and describe “Stage 1-Eligibility Screen.” “If the user inputs a combination of factors that is typically ineligible they are notified immediately of the ineligibility.” Exhibit B, page 14.

Independent Claim 11 recites “calculating a proxy credit score based on said financial information if it is determined that said borrower and said loan meet said preselected guidelines.”

Exhibit B, pages 13, and 17 show and describe “Stage 2 – Calculate Proxy Credit Score.” “Through a series of credit-related question, a proxy credit score is calculated separately for the following two groups.” Exhibit B, page 17.

Independent Claim 11 recites “obtaining statistical weights from a look up table.”

Exhibit B, pages 13, and 18-20 show and describe “Stage 2 – Calculate Proxy Credit Score.” Shown on pages 18-20 are Tables 3a and 3b for use in construction a proxy credit score for web user with and without credit delinquencies.

Independent Claim 11 recites “assigning said statistical weights to preselected characteristics of said loan.”

Exhibit B, pages 13, and 18-20 show and describe “Stage 2 – Calculate Proxy Credit Score.” Shown on pages 21-23 are “coefficient weights for the non-credit factors and calculating the overall approval probability.” Non-credit factors, as listed, include loan-to-value ratio, total expense ratio, number of units, etc.

Independent Claim 11 recites “calculating a probability that said potential borrower will be approved for said loan based on said proxy credit score and said statistical weights.”

Exhibit B, pages 13, and 24-25 show and describe "Stage 3 – Use Proxy Credit Score and other loan characteristics to calculate approv prob." Shown on pages 24-25 are "Probable Qualification Model Layout: To be used in the calculation of An Overall Approval Probability."

Independent Claim 11 recites "presenting to said potential borrower a percentage probability of approval for said loan."

Exhibit B, pages 13, and 25-27 show and describe "Stage 4 – Output Messaging." Shown on pages 25-27 are outputs used for "messaging back to consumer: qualitative and quantitative output."

3. The subject matter of Independent Claim 17 is disclosed in Exhibits A and D

Independent Claim 17 recites "retrieving an interest rate that is calculated to be specific to a potential borrower and a loan."

Exhibit A, page 5 titled "Underwrite and Match Consumer to Product/Price" shows step 4.4 "Run Bundled Risk Based Pricing Engine/Closing Cost Engine."

Exhibit D, page 5, section 1.1-2) recites "Calculate a rate for a specific borrower/product combination based on an E-Commerce Conforming Credit Model approval decision."

Independent Claim 17 recites "retrieving a yield/point trade-off schedule for said loan."

Exhibit D, page 14, section 4 recites "In response to a pricing request, the Pricing Engine will provide the Lender the following information: ...9. A schedule of Yield/Point Trade-offs for the priced product."

Independent Claim 17 recites "determining if said potential borrower is approved for said loan at said specific interest rate."

Exhibit A, page 5 titled "Underwrite and Match Consumer to Product/Price" shows the step 4.7 "Approved" inquiry.

Independent Claim 17 recites "if it is determined that said potential borrower is approved for said loan at said specific interest rate, (i) determining minimum verification documentation, (ii) determining selected loan underwriting parameters, (iii) determining pricing parameters, and (iv) tailoring said yield/point trade-off schedule for said loan based on said pricing parameters."

Exhibit A, page 5 titled "Underwrite and Match Consumer to Product/Price" shows the step 4.12 "Get additional information as needed (specific to validations)" after a potential borrower is approved for a loan at a specific interest rate.

Exhibit D, page 25, section 12 titled "Price Approved Products for Borrower" shows steps 12.3 "Obtain the Customer Price Component" and 12.4 "Tailor Gross Note Rate/Points Schedule."

Independent Claim 17 recites "if it is determined that said potential borrower is not approved for said loan at said specific interest rate, (i) determining a maximum loan amount for approval, (ii) determining a monthly debt reduction required for approval, and (iii) determining if said potential borrower meets preselected income requirements for alternative loans."

Exhibit A, page 5 titled "Underwrite and Match Consumer to Product/Price" shows step 4.10 "Alter Scenario?" and step 4.6 "Adjust data."

Independent Claim 17 recites "outputting underwriting findings and if the potential borrower is approved, outputting interest rate quotes."

Exhibit A, page 5 titled "Underwrite and Match Consumer to Product/Price" shows step 4.13 "Pick product and select lock option (float, float down, rate lock)."

Independent Claim 17 recites "repeating the foregoing steps for other loans."

The process shown above was configured to be repeated for any number of loans.

4. The subject matter of Independent Claim 23 is disclosed in Exhibit D

Independent Claim 23 recites "inputting borrower and loan information."

Exhibit D, page 14, section 4 recites "[i]n response to a pricing request, the Pricing Engine will provide the Lender the following information: The borrower for which the price quote has been generated."

Independent Claim 23 recites "retrieving underwriting characteristics."

Exhibit D, page 16, section 5.1 recites "Each Business Source Enticement Rate Assumption Profile will contain the following data elements: Business Source Enticement Profile Identifier; Amortization type; Amortization term; Loan amount; LTV... Number of months cash reserve; Purpose of Loan; Back-end ratio; Self-employed...."

Independent Claim 23 recites "retrieving a required yield from a current yield/point trade—off schedule."

Exhibit D, page 8, section 3.1 recites "Portfolio Management will provide the Pricing Engine with a par required yield and a Yield/Point Trade-off Schedule for each in-scope product."

Independent Claim 23 recites "calculating adjustments to said required yield associated with said loan based on at least one of (i) credit risk posed by said borrower, (ii) collateral risk associated with not requiring a collateral appraisal, (iii) loan-to-value ratio, and (iv) loan purpose."

Exhibit D, page 8, section 3 titled "Pricing Components" recites "The Fannie Mae Pricing Engine will calculate a final retail gross note rate that is to be presented to the borrower. The components of a gross note rate are as follows: Portfolio Required Yield and Customer Price Component. The Customer Component consists of: Risk Based

Guaranty Fee...Collateral Risk Price Adjustment" Exhibit D, page 8, section 3 further recites the criteria for "risk based guarantee fee are as follows: LTV...Loan Purpose."

5. The subject matter of Independent Claim 26 is disclosed in Exhibit D

Independent Claim 26 recites "inputting financial information representative of a hypothetical potential borrower based on preselected specifications of said loan originator"

Exhibit D, page 21, section 9.1 recites "The Pricing Engine may provide the Lender with up to three separate enticement rates for each Business Source. The rates will be based on a low-risk, an average risk, and a high-risk profile."

Independent Claim 26 recites "inputting loan information."

Exhibit D, page 16, section 5.1 recites "Each Business Source Enticement Rate Assumption Profile will contain the following data elements: Business Source Enticement Profile Identifier; Amortization type; Amortization term; Loan amount; LTV...."

Independent Claim 26 recites "retrieving underwriting characteristics."

Exhibit D, page 16, section 5.1 recites "Each Business Source Enticement Rate Assumption Profile will contain the following data elements: Business Source Enticement Profile Identifier; Amortization type; Amortization term; Loan amount; LTV... Number of months cash reserve; Purpose of Loan; Back-end ratio; Self-employed...."

Independent Claim 26 recites "retrieving a required yield from a current yield/point trade-off schedule."

Exhibit D, page 21, section 9.2 recites "The Pricing Engine will provide the Lender the following information: ... Yield/Point Trade-off Schedule."

Independent Claim 26 recites "calculating adjustments to said required yield associated with said loan based on at least one of (i) credit risk posed by said

hypothetical borrower, (ii) collateral risk associated with not requiring a collateral appraisal, (iii) loan-to-value ratio, and (iv) loan purpose.”

Exhibit D, page 8, section 3 titled “Pricing Components” recites “The Fannie Mae Pricing Engine will calculate a final retail gross note rate that is to be presented to the borrower. The components of a gross note rate are as follows: Portfolio Required Yield and Customer Price Component. The Customer Component consists of: Risk Based Guaranty Fee...Collateral Risk Price Adjustment” Exhibit D, page 8, section 3 further recites the criteria for “risk based guarantee fee are as follows: LTV...Loan Purpose.”

6. The subject matter of Independent Claim 28 is disclosed in Exhibits A and B

Independent Claim 28 recites “input means for obtaining financial information concerning a potential borrower.”

Exhibit A, page 3 titled “Perform Gatekeeping Function” shows the following steps: step 2.1 “inquire for what kind of loan consumer is looking for: purchase; refi; cash-out refi; pre-approval with property; pre-approval w/o property;” step 2.3 “get borrower name and register to site;” and step 2.6 “collect minimum data set for gatekeeping function.”

Independent Claim 28 recites “means for determining the likelihood that said potential borrower will be approved for a loan.”

Exhibit A, page 4 titled “Pull and Reconcile Credit Report” shows step 3.2 “Do Probable Qual.”

Exhibit B shows and describes various processes and steps associated with a “Probable Qualification Web Tool.”

Independent Claim 28 recites “means for evaluating a loan application for said loan, said loan application including said financial information and specifying a loan principal.”

Exhibit A, page 3 titled "Perform Gatekeeping Function" shows step 2.8 "Perform gatekeeping function: identify out of scope products; "out of the ballpark" exceptions; Fast Refi eligibility rules.

Independent Claim 28 recites "means for underwriting said loan to determine an approval status of said borrower for said loan and for other loans based on preselected underwriting guidelines."

Exhibit A, page 5 titled "Underwrite and Match Consumer to Product/Price" shows step 4.2 "Run Underwriting Engine: Credit Assessment; Collateral Assessment (determine appraisal needs)."

Independent Claim 28 recites "means for calculating a customized interest rate quote based on said financial information for presentation to said borrower for said loan and for each of said other loans for which said borrower is approved."

Exhibit A, page 5 titled "Underwrite and Match Consumer to Product/Price" shows step 4.4 "Run Bundled Risk Based Pricing Engine/Closing Cost Engine."

7. The subject matter of Independent Claim 36 is disclosed in Exhibit B

Independent Claim 36 recites "input means for obtaining financial information concerning a potential borrower and a loan."

Exhibit B, pages 7-10 shows and describes various "Data Inputs" relating to the potential borrower and the loan associated with a "Probable Qualification Web Tool" such as Loan Purpose, Property Value, Loan Amount, Number of Borrowers, Annual Income of all Borrowers, etc.

Independent Claim 36 recites "means for determining if said potential borrower and said loan meet preselected underwriting guidelines of a secondary mortgage market purchaser based on said financial information."

Exhibit B, pages 13-14 shows and describes "Stage 1-Eligibility Screen." "The eligibility screen allows the "Probable Qual" user to receive feedback regarding the eligibility of the loan they are examining prior to the completion of the data input." Exhibit B, page 14.

Independent Claim 36 recites "means for prompting said potential borrower to revise said financial information if it is determined that at least one of said borrower and said loan does not meet said preselected guidelines."

Exhibit B, pages 13-14 show and describe "Stage 1-Eligibility Screen." "If the user inputs a combination of factors that is typically ineligible they are notified immediately of the ineligibility." Exhibit B, page 14.

Independent Claim 36 recites "means for calculating a proxy credit score based on said financial information if it is determined that said borrower and said loan meet said preselected guidelines."

Exhibit B, pages 13, and 17 show and describe "Stage 2 – Calculate Proxy Credit Score." "Through a series of credit-related question, a proxy credit score is calculated separately for the following two groups." Exhibit B, page 17.

Independent Claim 36 recites "means for obtaining statistical weights from a look up table."

Exhibit B, pages 13, and 18-20 show and describe "Stage 2 – Calculate Proxy Credit Score." Shown on pages 18-20 are Tables 3a and 3b for use in construction a proxy credit score for web user with and without credit delinquencies.

Independent Claim 36 recites "means for assigning said statistical weights to preselected characteristics of said loan."

Exhibit B, pages 13, and 18-20 show and describe "Stage 2 – Calculate Proxy Credit Score." Shown on pages 21-23 are "coefficient weights for the non-credit factors and calculating the overall approval probability." Non-credit factors, as listed, include loan-to-value ratio, total expense ratio, number of units, etc.

Independent Claim 36 recites "means for calculating a probability that said potential borrower will be approved for said loan based on said proxy credit score and said statistical weights."

Exhibit B, pages 13, and 24-25 show and describe "Stage 3 – Use Proxy Credit Score and other loan characteristics to calculate approv prob." Shown on pages 24-25 are "Probable Qualification Model Layout: To be used in the calculation of An Overall Approval Probability."

Independent Claim 36 recites "means for communicating to said potential borrower a percentage probability of approval for said loan."

Exhibit B, pages 13, and 25-27 show and describe "Stage 4 – Output Messaging." Shown on pages 25-27 are outputs used for "messaging back to consumer: qualitative and quantitative output."

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It is respectfully submitted that claims 1, 2, 4-18, 21-26, 28, 29 and 31-41 are allowable over Kunzle et al. because Kunzle et al. does not qualify as prior art under 35 U.S.C. § 102(e) based upon the attached declaration under 37 C.F.R. 1.131 and supporting documents submitted herewith.

Accordingly, reconsideration and withdrawal of the rejection of claims 1, 2, 4-18, 21-26, 28, 29 and 31-41 is respectfully requested.

Applicant believes that the present application is now in condition for allowance. Favorable reconsideration of the application as amended is respectfully requested.

The Examiner is invited to contact the undersigned by telephone if it is felt that a telephone interview would advance the prosecution of the present application.

Respectfully submitted,

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